

Message Text

LIMITED OFFICIAL USE

PAGE 01 BANGKO 01339 211044Z

70

ACTION COME-00

INFO OCT-01 EA-07 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 FRB-03

INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 LAB-04 SIL-01

DODE-00 PM-04 H-02 L-03 PA-01 PRS-01 /086 W

----- 072051

R 210943Z JAN 76

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 7100

INFO AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

LIMITED OFFICIAL USE BANGKOK 1339

E.O. 11652: N/A

TAGS: EINV, WAID, JA, TH

SUBJECT: JAPANESE INVESTMENT SURVEY MISSION TO ASEAN COUNTRIES

REF: A) STATE 8963 (NOTAL), B) BANGKOK 898 (NOTAL)

1. DURING LUNCHEON CONVERSATION WITH LOCAL JETRO PRESIDENT (KOGA) AND VICE PRESIDENT (KATSUTA), EMBASSY OFFICERS RAISED MATTER OF SUBJECT INVESTMENT SURVEY MISSION. UOGA-SAN WAS RATHER HAZY ABOUT THIS PARTICULAR MISSION, NOTING THAT THERE HAD BEEN SEVERAL SUCH JAPANESE INVESTMENT SURVEY MISSIONS VISITING THAILAND OVER PAST TWO OR THREE YEARS, ESPECIALLY IN

AFTERMATH OF DEMONSTRATIONS DURING 1973 TANAKA VISIT. PURPOSE OF SUCH MISSIONS WAS NOT SO MUCH TO ASSESS INVESTMENT CLIMATE, AS TO ASSESS RELATIONS OF JAPANESE INVESTORS WITH HOST COUNTRY. HE NOTED THAT, FOLLOWING TANAKA VISIT, A NEW "CODE OF BEHAVIOR" HAD BEEN ESTABLISHED FOR JAPANESE BUSINESSMEN OPERATING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BANGKO 01339 211044Z

IN THAILAND. ASKED IF THERE HAD BEEN ANY NOTABLE CHANGES RESULTING

FROM THIS, HE SAID THAT FOR ONE THING, IN A NUMBER OF INSTANCES JAPANESE COMPANIES HAD REDUCED THEIR EQUITY IN LOCAL JOINT VENTURE COMPANIES, WITH SEVERAL SUCH COMPANIES HAVING TAKEN ON MAJORITY THAI OWNERSHIP.

2. KOGA SAID THAT INEVITABLY JAPANESE COMPANIES ARE COMPARED WITH AMERICAN COMPANIES OPERATING IN THAILAND, AND ARE OFTEN AT A DISADVANTAGE, ESPECIALLY IN THE NUMBER OF FOREIGN NATIONALS EMPLOYED BY LOCAL JOINT VENTURE COMPANIES. HE CITED ONE SURVEY REPORT PREPARED BY A JAPANESE PROFESSOR WHICH CONCLUDED THAT AMERICAN BUSINESS HAS HISTORICALLY TENDED TO ADOPT WRITTEN GUIDELINES FOR COMPANY OPERATIONS, AND CAN THUS PRACTICE "MANAGEMENT BY REMOTE CONTROL" MORE EASILY THAN JAPANESE COMPANIES WHICH DEPEND UPON CLOSE CONTACT BETWEEN MANAGEMENT AND EMPLOYEES, NECESSITATING A LARGER EXPATRIATE STAFF. HE SAID THE SAME STUDY REBUTTED CRITICISM THAT JAPANESE COMPANIES HAVE EXPERIENCED MORE LABOR TROUBLE IN THAILAND THAN AMERICAN COMPANIES BY NOTING THAT A SIGNIFICANT AMOUNT OF LOCAL JAPANESE INVESTMENT IS IN THE TURBULENT TEXTILE INDUSTRY, WHERE THERE ARE VERY FEW AMERICANS.

3. KOGA ALSO MENTIONED THAT SOME JAPANESE FIRMS HAVE EXPERIMENTED WITH TRAINING LOCAL EMPLOYEES IN JAPAN TO HELP REDUCE SIZE OF JAPANESE STAFF REQUIRED OVERSEAS. HOWEVER, THIS IS A MORE EXPENSIVE METHOD AND HAS ON OCCASION RESULTED IN JAPAN-TRAINED EMPLOYEES LATER LEAVING JAPANESE COMPANIES TO WORK FOR COMPETITORS.

4. IN SEPARATE CONVERSATION, JAPANESE ITMMERCIAL ATTACHE TOLD US LAST WEEK HE EXPECTS REPORT ON SUBJECT INVESTMENT SURVEY MISSION SHOULD BE COMPLETED IN ABOUT A MONTH.

5. COMMENT: EVER SINCE THE ANTI-JAPANESE GOODS BOYCOTT AND DEMONSTRATIONS LED BY STUDENTS IN LATE 1972, FOLLOWED BY SIMILAR DEMONSTRATIONS DURING THE 1973 TANAKA VISIT, LOCAL JAPANESE GOVERNMENTAL AND PRIVATE REPRESENTATIVES HAVE BECOME VERY INTROSPECTIVE ABOUT THEIR BUSINESS IMAGE IN THAILAND. ALTHOUGH THERE HAVE BEEN NO RECENT ANTI-JAPANESE MANIFESTATIONS, THEY ARE OBVIOUSLY STILL SENSITIVE TO THIS LATENT POSSIBILITY, AND PROBABLY FRUSTRATED AT THEIR APPARENT LACK OF SUCCESS IN IMPROVING THEIR REPUTATION.

MASTERS

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BANGKO 01339 211044Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SURVEYS, INVESTMENT OPPORTUNITIES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BANGKO01339
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760023-0328
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760138/aaaabhpa.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 8963
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 26 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 MAY 2004 by greeneet>; APPROVED <27 MAY 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JAPANESE INVESTMENT SURVEY MISSION TO ASEAN COUNTRIES
TAGS: EINV, EAID, BEXP, JA, TH
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006